

SECRET

OSA-1129-62
7 September 1962

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 9 to Contract No. CT-511
with Granger Associates, Project IDEALIST

1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 5.
2. Contract No. CT-511 covers the procurement of spare parts and other related materiel in support of the Repeater Jammers previously procured.
3. Amendment No. 9 has been drawn to provide for the following:
 - (a) Reflect fixed pricing formula for the period 1 January 1962 - 30 June 1962.
 - (b) Indicate that the contract will not be extended beyond 30 June 1962.
 - (c) Finalize funds for the entire performance period.
4. FY-62 IDEALIST Materiel Funds, should be liquidated in the amount of \$150.35. By concurrence to this memorandum, the Comptroller signifies that the funds have been liquidated. The FY-63 proposed obligation of \$21,750.00 should be removed from the records of Finance.
5. Concurrence in Amendment No. 9 is recommended.

CONCURRENCES:

Contracting Officer, OSA

13 SEP
1962

Date

14 Sept

Date

10 Sept 62

Date

CD/OSA-HL:ccj

Cy 1 - CD/OSA CT-511

2 - FIN/OSA

3 - RB/OSA

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SECRET**Granger
Associates**

974 Commercial Street, Palo Alto, California / Davenport 1-4175 (Area Code 415) TWX PAL AL 128

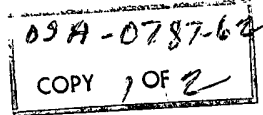
REGISTERED - RETURN RECEIPT REQUESTED

2 August 1962

25X1

TO:

Contracting Officer



Reference: Contract No. TM-512, Amd #7
Contract No. CT-511, Amd #9

Subject: Termination of Contracts

Gentlemen:

*Amend 9
Reviewed
to finalize
and does not
renew for 77-63.*

As you instructed during our phone conversation this morning, we are returning three copies each of the referenced contract amendments. All work order requests and production lists issued through 30 June 1962 have been completed, invoiced, and paid in full. A summary shows that no charges have been made against Contract TM-512 during the period 1 January 1962 through 30 June 1962. Two orders have been placed under Contract CT-511:

- 1) Prod. List 62-5 (Project GA-112.17)
- 2) Prod. List 62-6 (Project GA-112.18)

	\$341.76
	<u>\$5,650.61</u>
Total	\$5,992.37

PT # 11-11-64

No further charges will be forthcoming on either of the contracts. *85% 32- 6,849.65*

As we explained on the telephone, we feel that it is in the best interests of the Government that we terminate these Factory and Field Service Contracts. Since most of the key personnel who were responsible for the design and development of your ECM equipments have left the company, and since our emphasis on product line has shifted to the field of h-f communications work, we can no longer offer the quality of technical know-how which we feel you should expect. As you are aware, too, the orders placed under your service contracts have been relatively small, and consequently have proved to be quite expensive for you. We feel that you can quite probably work out a more efficient arrangement with some other firm currently involved with countermeasures work, and specifically, one familiar with your equipment.

25X1

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25X1

who had been responsible for the technical work on your Model 504 equipments, terminated his employment with us approximately one month ago, and joined You may wish to contact him directly since he is now working with who, you will recall, was with Granger Associates at the time the original development work on the Model 504 units was performed.

As you instructed, we are returning an item to the supply depot which they had sent to us for repair. A copy of the packing list and shipping notice is

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Contracting Officer
Log 729-T
2 August 1962

attached. As we mentioned in our conversation, we have various technical documents, engineering data, and the prototype model of the 504 unit here at the plant. We will see your security representative at his earliest convenience, so that disposal arrangements for classified material can be made.

25X1 We sincerely appreciate your understanding of our situation. We feel that your interests can be served more efficiently by some other firm specializing in [] work, but we realize, too, that you may face some difficulties in establishing new contracts for immediate assistance. If there are special problems which arise that we could handle for you, we would be most happy to work with you on a separate contract basis.

We have enjoyed working with your organization during the past four years and would hope that we might be able to continue the relationship if your requirements should extend into the h-f communications field.

Very truly yours,

25X1 []
Contracts Administrator

NBW:jb

Encl: 3 cc DPD-3676-62
3 cc DPD-3674-62
1 cc W.O. Request # 63-1
1 cc G/A Packing Slip
1 cc Ltr. 730-T of 8/2/62

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DPD-3676-62

Contract No. CT-511
Amendment No. 9

15 JUN 1962

Granger Associates
966 Commerical Street
Palo Alto, California

Gentlemen:

1. Reference is made to Contract No. CT-511 effective for the period 1 February 1960 through 30 June 1962.

2. Pursuant to the provisions of PART VI of the contract schedule, the parties hereto have negotiated a Pricing Formula. Said formula is for the period 1 January 1962 through 30 June 1962. The formula is the same as set forth in APPENDIX III attached to Amendment No. 6 to Contract No. CT-511. Therefore, the period on APPENDIX III is hereby amended to read "1 July 1961 through 30 June 1962" instead of "1 July 1961 through 31 December 1961."

3. Pursuant to the provisions of Paragraph (b) of PART V - PERIOD OF PERFORMANCE, Paragraph (a) of PART V is amended to read as follows:

"(a) Production Lists shall be issued only during the period 1 February 1960 through 30 June 1962."

4. Paragraph (a) of PART VII - FUNDS ALLOTTED, as amended by Amendment No. 8, is deleted in its entirety and the following is substituted therefor:

"(a) For the purposes of this contract, there has been allotted the following amounts for the periods indicated:

<u>Period</u>	<u>Amount</u>	<u>Total</u>
1 Feb. 1960 - 30 June 1960	-0-	
1 July 1960 - 30 June 1961	\$ 438.36*	
1 July 1961 - 30 June 1962	7,000.00	
1 July 1962 - 30 June 1963	<u>21,750.00**</u>	
		\$29,188.36

* Final amount

** Represents an approximate six (6) month funding and is contingent upon the availability of funds during the Government's Fiscal Year 1963."

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5. The above results in a net increase of \$21,750.00 or a new total consideration of \$29,188.36. All other terms, conditions, and requirements as amended, remain unchanged.

6. Please indicate your receipt of this Amendment No. 9 to Contract No. CT-511 and your acceptance thereof by executing the original and two copies hereof. Return the fully executed original and one copy to the undersigned and retain the remaining copy for your files.

Very truly yours,

Contracting Officer

ACKNOWLEDGED AND ACCEPTED
GRANGER ASSOCIATES, INC.

BY _____

TITLE _____

DATE _____

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DPD-3675-62
12 June 1962

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 9 to Contract No. CT-511 with
Granger Associates, Project IDEALIST

1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 7.
2. Contract No. CT-511 covers the procurement of spare parts and other related materiel in support of the Repeater Jammers previously procured.
3. Amendment No. 9 has been drawn to provide for the following:
 - (a) Reflect fixed pricing formula for the period 1 January 1962 - 30 June 1962.
 - (b) Extend the period of performance from 30 June 1962 to 30 June 1963.
 - (c) Provide FY-63 funds, subject to availability.
4. FY-63 IDEALIST/Materiel Funds, when available, should be obligated in the amount of \$21,750.00. By concurrence to this memorandum, the Comptroller signifies that the funds have been noted and will be recorded when available.
5. The services and equipment being procured by this Amendment No. 9 to CT-511 are in furtherance of the IDEALIST Program, the nature of which cannot be publicly disclosed for security reasons. The undersigned Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC-2122, signed by the DDCI on 25 October 1961.
6. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on

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15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

7. Concurrence in Amendment No. 9 to Contract No. CT-511 is recommended.

Contracting Officer, DPD

CONCURRENCES:

Comptroller, DPD

June 13, 1962
Date

Chief, Materiel Staff, DPD

June 14, 1962
Date

OGC

12 June 62
Date

CS/DPD-DI ccc

cy 1 - CS/DPD CT-511

2 - FIN/DPD

3 - RI/DPD

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